

Shipping & Transport - Sweden

Government Aims to End Passenger Rail Monopoly

May 27 2009

As the government pushes ahead with market-oriented reform, plans are underway to open up the railways to full competition by 2010. A bill submitted to Parliament proposes the gradual deregulation of passenger rail services. As the first step, weekend services will be opened up to competition in July 2009. International passenger railway services will then be opened up in October 2009, followed by the national network a year later. Thus, if the bill passes through Parliament, passenger rail services will be open to full competition from October 2010, thereby giving effect to EU Directive 2007/58/EC on the opening up of the EU market to international passenger services.

In order to allow passengers to find information on the alternative services being offered them, the bill suggests that the railway operators be obliged to submit information about their services to a central system. It also proposes that operators be obliged to submit details of their passenger services to the relevant authorities to allow for follow-up and evaluation. The Swedish Rail Administration is responsible for railway infrastructure and coordination, whereas the Transport Agency – established in January 1 2009 – supervises the railways themselves.

Critics of the plan say that the existing railway infrastructure is already overloaded, and that the introduction of competition will not relieve this situation. Others assert that if the bill is passed, private firms will compete only for a few profitable stretches of railway line.

Sweden already has limited competition on its railways. Although nearly all passenger services are operated by the state-owned firm SJ, SJ does not operate freight trains. The underground system in Stockholm is run by France's Veolia Transport, and several other railway operators (eg, the United Kingdom's Arriva, Denmark's DSB, Norway's NSB and Germany's Deutsche Bahn) have operations in Sweden.

Parliament is expected to decide on the matter in June 2009.

For further information on this topic please contact [Ida Dahlborg](#) at [Wistrand Advokatbyrå](#) by telephone (+46 31 771 21 00) or by fax (+46 31 771 21 50) or by email (ida.dahlborg@wistrand.se).

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Author

[Ida Dahlborg](#)

